

108TH CONGRESS
1ST SESSION

H. R. 1380

To suspend the excise tax on aviation fuel used in commercial aviation during the period of hostilities with Iraq.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2003

Mr. SESSIONS (for himself, Mr. FOLEY, Mr. TIAHRT, Mr. SULLIVAN, Mr. SHIMKUS, Mr. HALL, Mr. SAM JOHNSON of Texas, Mr. LAHOOD, Mr. SHADEGG, Mr. SWEENEY, Mr. TIBERI, Mr. ENGLISH, Mr. CANNON, Mrs. MYRICK, Mr. LINDER, Mr. MEEKS of New York, Mr. TOOMEY, Mr. SMITH of Texas, Mr. MARIO DIAZ-BALART of Florida, Mr. HENSARLING, Ms. DUNN, Mr. RENZI, Mr. BRADY of Texas, Mr. DREIER, and Mr. FLETCHER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend the excise tax on aviation fuel used in commercial aviation during the period of hostilities with Iraq.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Travel Related Indus-
5 tries Protection Act of 2003”.

1 **SEC. 2. SUSPENSION OF EXCISE TAX ON AVIATION FUEL**
 2 **USED IN COMMERCIAL AVIATION.**

3 (a) IN GENERAL.—Tax imposed under section 4091
 4 of the Internal Revenue Code of 1986 by reason of section
 5 4092(b)(2) of such Code shall be zero during the suspen-
 6 sion period.

7 (b) DEFINITIONS.—For purposes of this Act—

8 (1) SUSPENSION PERIOD.—The term ‘suspen-
 9 sion period’ means the period beginning on the tax
 10 suspension date and ending on the suspension termi-
 11 nation date.

12 (2) TAX SUSPENSION DATE.—The term ‘tax
 13 suspension date’ means the date of the enactment of
 14 this Act.

15 (3) SUSPENSION TERMINATION DATE.—The
 16 term ‘suspension termination date’ means the date
 17 which is two years after the date of the enactment
 18 of this Act.

19 **SEC. 3. FLOOR STOCK REFUNDS.**

20 (a) IN GENERAL.—If—

21 (1) before the tax suspension date, tax has been
 22 imposed under section 4091 of the Internal Revenue
 23 Code of 1986 by reason of section 4092(b)(2) of
 24 such Code on any liquid, and

25 (2) on such date such liquid is held by a dealer
 26 and has not been used and is intended for sale,

1 there shall be credited or refunded (without interest) to
2 the person who paid such tax (hereafter in this section
3 referred to as the “taxpayer”) an amount equal to the tax
4 paid by the taxpayer.

5 (b) TIME FOR FILING CLAIMS.—No credit or refund
6 shall be allowed or made under this section unless—

7 (1) claim therefor is filed with the Secretary of
8 the Treasury before the date which is 6 months
9 after the tax suspension date, and

10 (2) in any case where liquid is held by a dealer
11 (other than the taxpayer) on the tax suspension
12 date—

13 (A) the dealer submits a request for refund
14 or credit to the taxpayer before the date which
15 is 3 months after the tax suspension date, and

16 (B) the taxpayer files with the Secretary—

17 (i) a certification that the taxpayer
18 has given, subsequent to receipt of the re-
19 quest for refund or credit from such dealer
20 under subparagraph (A), a credit to such
21 dealer with respect to such liquid against
22 a purchase by the dealer of liquid from the
23 taxpayer, and

24 (ii) a certification by such dealer that
25 such dealer has given, subsequent to the

1 tax suspension date, a credit to a suc-
2 ceeding dealer (if any) with respect to such
3 liquid against a purchase by the succeeding
4 dealer of liquid from such dealer.

5 (c) REASONABLENESS OF CLAIMS CERTIFIED.—Any
6 certification made under subsection (b)(2)(B) shall include
7 an additional certification that the claim for credit was
8 reasonably based on the taxpayer’s or dealer’s past busi-
9 ness relationship with the succeeding dealer.

10 (d) DEFINITIONS.—For purposes of this section—

11 (1) the terms “dealer” and “held by a dealer”
12 have the respective meanings given to such terms by
13 section 6412 of such Code; except that the term
14 “dealer” includes a producer, and

15 (2) the term “tax suspension date” means the
16 date which is the 7th day after the date of the en-
17 actment of this Act.

18 (e) CERTAIN RULES TO APPLY.—Rules similar to the
19 rules of subsections (b) and (c) of section 6412 of such
20 Code shall apply for purposes of this section.

21 **SEC. 4. FLOOR STOCKS TAX.**

22 (a) IMPOSITION OF TAX.—In the case of any liquid
23 subject to tax under section 4091 of the Internal Revenue
24 Code of 1986 by reason of section 4092(b)(2) of such
25 Code and on which such tax would have been imposed but

1 for section 2, and which is held on the suspension termi-
2 nation date, by any person, there is hereby imposed a floor
3 stocks tax equal to the excess of the tax which would be
4 imposed on such liquid had the taxable event occurred on
5 such date over the tax previously paid (if any) on such
6 liquid.

7 (b) LIABILITY FOR TAX AND METHOD OF PAY-
8 MENT.—

9 (1) LIABILITY FOR TAX.—A person holding a
10 liquid on the suspension termination date, to which
11 the tax imposed by subsection (a) applies shall be
12 liable for such tax.

13 (2) METHOD OF PAYMENT.—The tax imposed
14 by subsection (a) shall be paid in such manner as
15 the Secretary shall prescribe.

16 (3) TIME FOR PAYMENT.—The tax imposed by
17 paragraph (1) shall be paid on or before 45 days
18 after the suspension termination date.

19 (c) DEFINITIONS.—For purposes of this section—

20 (1) HELD BY A PERSON.—A liquid shall be con-
21 sidered as “held by a person” if title thereto has
22 passed to such person (whether or not delivery to
23 the person has been made).

1 (2) SECRETARY.—The term “Secretary” means
2 the Secretary of the Treasury or the Secretary’s del-
3 egate.

4 (d) OTHER LAW APPLICABLE.—All provisions of law,
5 including penalties, applicable with respect to the taxes
6 imposed by sections 4091 and 4092 of such Code shall,
7 insofar as applicable and not inconsistent with the provi-
8 sions of this section, apply with respect to the floor stock
9 taxes imposed by subsection (a) to the same extent as if
10 such taxes were imposed by such sections.

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